



NEW YORK STATE SENATE DEMOCRATIC MAJORITY

For Immediate Release: February 7, 2023

Contact: Jonathan Heppner | heppner@nysenate.gov | 518-455-2415

Senate Majority To Pass Legislation to Boost Small Businesses and MWBEs

(Albany, NY) The Senate Majority today passed legislation to boost investment in small business and help grow minority- and women-owned business enterprises (MWBEs). The legislation advanced includes the creation of the New York State Innovation Voucher Program; the establishment of a matching grant program for recipients of the federal Small Business Innovation Research and Technology Transfer grants; exempting independent arts contractors from a qualification to access the Small Business Seed Funding Grant program; expanding eligibility to grants and flexible financing of the Urban Development Corporation Act to dry cleaning and cosmetic small businesses; requiring state agencies provide unsuccessful bidders that are certified MWBEs with a detailed statement detailing the reason for rejection; amending the Executive Law to clarify language concerning the maximum number of employees in a MWBEs company during a declared state emergency, and directing all contracting state agencies to develop a three-year growth plan to increase MWBEs' participation in contract bidding.

“Small businesses including minority and women owned businesses are key drivers of economic activity in New York State, but very often face persistent barriers to financing and other challenges,” said **Majority Leader Andrea Stewart-Cousins**. “We must do everything we can to support our small businesses through programming that can target resources to support their success. I commend the Chair of the Senate’s Commerce, Economic Development and Small Business Committee, Senator Sean Ryan for his leadership and commitment to boosting small businesses and I thank the bill sponsors for working on smart legislation to help support small businesses to grow and thrive in the Empire State.”

Bill sponsor and Chair of the Commerce, Economic Development, and Small Business Committee, Senator Sean Ryan said, “New York’s homegrown businesses are the backbone of our state. As we navigate our economic development policy in the wake of the pandemic, we must work to best serve the interests of small business owners. In order to do that, we have to find new ways to support small businesses in communities across the state. Accelerating MWBE

growth and unlocking funding to spur innovation are two key strategies to generate new businesses and help existing businesses expand, creating jobs in every region throughout the state. I thank Majority Leader Andrea Stewart-Cousins and my colleagues for putting forward these important pieces of legislation.”

The small business and MWBE assistance package being passed by the Senate Democratic Majority includes:

- **Growth Plan for MWBEs Participation in State Contracts:** This bill, [S.1424](#), sponsored by Senator Jamaal Bailey, directs contracting state agencies to develop a three-year growth plan to increase participation of MWBEs with respect to state contracts and subcontracts.
- **Expand Eligibility of Grant Programs of the Urban Development Corporation Act:** This bill, [S.702](#), sponsored by Senator Leroy Comrie expands eligibility of the Urban Development Corporation Act to allow dry cleaning businesses, nail salons and other small businesses to access grants and flexible financing programs to make capital improvements to comply with new environmental protection and workplace safety regulations.
- **Written Statement of Rejection for MWBEs Bids:** This bill, [S.1419](#), sponsored by Senator Leroy Comrie would require state agencies to provide certified MWBEs that unsuccessfully bid for a state contract a written statement outlining the reasons for rejection and provide guidance for improving future bids.
- **Exception to Qualification for the Small Business Seed Funding Grant Program:** This bill, [S.579](#), sponsored by Senator Brad Hoylman-Sigal amends the NYS Urban Development Corporation Act to provide an exception that eases the path for independent arts contractors to qualify for the small business seed grant funding program.
- **Establishes Matching Grant Program for Recipients of Certain Federal Small Business Grants:** This bill, [S.1824](#), sponsored by Senator Sean Ryan establishes a matching grant program for small businesses receiving funding under the federal Small Business Innovation Research Program or the Small Business Technology Transfer Program to promote commercialization and job growth. This bill also requires businesses receiving these matching grants to remain headquartered in New York for at least five years.
- **Creates the New York State Innovation Voucher Program:** This bill, [S.1862](#), sponsored by Senator Sean Ryan establishes the New York Innovation Voucher Program to provide small businesses with access to vouchers to assist with research and development by colleges and universities, government laboratories, and public research institutes in order to assist such businesses in the creation of innovative products or services.
- **Maximum Number of MWBEs Employees During a Declared State of Emergency:** This bill, [S.1873](#), sponsored by Senator Lea Webb amends the Executive Law to clarify

that an MWBE may have a maximum of 300 employees who work 30 hours or more per week during a declared state disaster emergency. This clarification would allow MWBEs to address unanticipated emergency staffing needs during a declared state of emergency without losing their certification.

Bill sponsor, Senator Jamaal Bailey said “Minority and women-owned businesses face significant barriers to participation and economic opportunity. Despite progress in the advancement of MWBEs, minority and women-owned businesses still receive less than their fair share of state dollars and lack equitable access to the public contracting marketplace. Senate Bill S1424 will direct contracting state agencies to develop a three-year growth plan to determine how to most effectively increase MWBE participation in state contracts. Together with my colleagues' legislation, this bill will help increase opportunities for MWBEs to compete for state contracts and empower entrepreneurs and small business owners in overcoming structural barriers impacting advancement and long-term growth.”

Bill sponsor, Senator Leroy Comrie said, "Small businesses are the backbone of New York State's economy and my colleagues and I have sought to help struggling businesses rebound, while creating the environment for new small businesses to emerge. I am proud to join in passing legislation that continues to uphold those values. I commend Senate Majority Leader Stewart-Cousins and my colleagues for prioritizing this package of legislation and I look forward to it being signed into law, offering small businesses the assistance they need to thrive in New York."

Bill sponsor, Senator Brad Hoylman-Sigal said: “Musicians are small business enterprises that contribute to our local economy and help make our state an international center of arts and culture. Last year, we helped touring musicians whose work was disrupted by the COVID-19 pandemic access New York State’s Small Business Seed Funding Grant Program. Our bill codifies this effort, which will make it easier for artists to apply for this important program. I’m grateful to Majority Leader Andrea Stewart-Cousins for prioritizing small businesses, including these touring musicians, as well as Governor Hochul and Empire State Development for assisting us increase access to the Small Business Seed Funding Grant Program.”

Bill sponsor, Senator Lea Webb said “Small businesses across Upstate New York were hit hard by the pandemic and many are still struggling to rebuild and stay afloat. This package of legislation will provide much-needed support to small businesses across my district, promoting economic growth and accelerating the creation of new, good-paying jobs. I am proud to pass my bill to support our minority and women-owned businesses, to make it easier for these enterprises to access resources during a state disaster emergency. It is critical that we continue to put forth legislation that protects our small businesses and enables them to grow and sustain our economy.”

Executive Vice President of The Business Council of New York State, Paul Zuber, said: “The Business Council is glad to see the Senate focus on legislation that helps Minority and

Woman Owned Businesses (MWBE). The development and growth of MWBEs have been a major focus of ours and through our yearly award we have worked with several senators to recognize and highlight the owners of these businesses. The Business Council believes the opportunity for economic growth must be given to all employers, regardless of race or creed.”

Anthony Gaddy, Co-Founder and President/CEO, Upstate Black Chamber of Commerce, said: “We are excited to see the legislation passed by the Senate Majority, led by Majority Leader Stewart-Cousins. Small businesses, minority women-owned businesses and especially Black businesses are the backbone of our community in terms of community development. This legislation emphasizes the fact that in order for there to be community development, there must be economic development. We applaud the Senate Majority for their commitment to alignment with our business community. Thank you.”

###

New York State Senate | senatedemocraticmajority@nysenate.gov | 518-455-2415